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January 3, 2003

TN REGULATORY AUTHORITY
DOCKET ROOM

The Honorable Ron Jones, Hearing Officer
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN. 37243

RECEIVED
RON JONES

JAN - 2 2003

TN REGULATORY AUTHORITY

Re: Generic Docket Addressing Rural Universal Service
Docket No. 00-00523

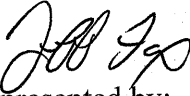
Dear Mr. Jones:

BellSouth Telecommunications Inc. (hereafter BST) and the Rural Coalition consisting of the Independent Telephone Companies and Cooperatives (hereafter ICOs) have continued our discussions attempting to find a mutually acceptable resolution to our dispute and other related matters. Thank you for entering an order that has allowed time thus far to negotiate these complicated matters.


Our discussions to date have centered on the renegotiation of the toll settlement agreement. These discussions have expanded to include concerns regarding access rate adjustments and cost recovery, specific product billing responsibilities, compensation for completion of wireless originated calls transiting BST's network and terminating with ICO customers, and how these matters impact the Rural Universal Service Docket. As you may well suspect, resolving these complicated, complex matters is very time consuming and difficult. At this point all parties agree that negotiations continue to be in good faith and productive. In the event that parties to the negotiations feel otherwise we will make you aware. In order to proceed with our negotiations, we are requesting that the authority enter an order holding BST's Petition for Reconsideration in abeyance for an additional 60 days.

In hopeful expectation of your approval, we have scheduled our next meeting on January 16th, 2003 to follow-up on pending action items. At the conclusion of the 60 days, the parties will report our progress to the TRA. Thank you for your consideration of this request.

Respectfully submitted,
BellSouth Telecommunications, Inc.
For


Represented by:
Charles Howorth

Independent Company Coalition
For


Represented by:
Bruce Mottern, TDS Telecom
On behalf of the Rural Coalition